

THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS

Before Commissioners: John Wine, Chair
 Cynthia L. Claus
 Brian J. Moline

In the Matter of Application of Value-Added)
Communications, Inc. For a Certificate of)
Convenience and Authority to Transact the)
Business of an Operator/Interexchange Services)
Provider Within the State of Kansas.)

Docket No. 99-VACC-442-COC

ORDER AND CERTIFICATE

NOW, the above-captioned matter comes for consideration and determination before the State Corporation Commission of the State of Kansas ("Commission"). Having reviewed its files and being fully advised of all matters of record, the Commission finds and concludes as follows:

1. In its Order of April 30, 1984, in Docket No. 127,140-U, the Commission found that resellers were public utilities and subject to Commission regulation. As part of that regulation, the Commission directed resellers of telecommunications services to file applications for Certificates of Convenience and Authority and accompanying tariffs for approval.

2. In its Order of March 21, 1994, in Docket No. 187,168-U, the Commission adopted revised streamlined rules and regulations governing resellers and interexchange carriers, hereinafter referred to as interexchange carriers or IXCs, designed to reflect changes occurring in the marketplace.

3. On January 6, 1999, Value-Added Communications, Inc. ("VAC") filed an application to provide intrastate and interstate operator and interexchange telecommunications services in Kansas. The application included rate tariff pages and rules and regulations tariff pages.

4. On June 21, 1999, Commission Staff ("Staff") submitted a memorandum to the Commission recommending that the Commission grant VAC's application for a Certificate of Convenience and Authority to provide Operator/Interexchange services and accept its tariff sheets as revised. Staff determined VAC's application complies with the criteria set forth in the Commission's Orders in Docket No. 187,168-U. VAC is registered with the Secretary of State's office to do business in Kansas. VAC's filed tariffs are in compliance with Commission requirements and meet all current telephone billing standards as set forth in the Commission's Order in Docket No. 120,408-U, as well as current standards for interexchange carriers. VAC will not direct bill for their services. Rather, VAC will utilize the services of billing clearinghouses to bill the charges for services rendered on the end user's local telephone company statement.

5. VAC will offer, via resale, operator services on a limited basis in Kansas. VAC's current business plan is to provide telecommunications services to inmates incarcerated at federal correctional facilities located in Kansas. In addition, VAC will provide such inmates with prepaid direct dial (1+) telecommunications services. VAC will not offer its services to the general public, but will limit its service offerings to federal correctional facilities.

6. The Commission finds and concludes that the public convenience will be promoted by granting VAC's application. The Commission, therefore finds and concludes that VAC should be granted the authority to provide operator and inter- and intraLATA toll service, without a public hearing, subject to all other rules, regulations, or statutes of, by, or governing the Commission, in particular those set out in Docket Nos. 187,168-U and 120,408-U.

7. Further, VAC is required to file an annual report with the Commission and to notify the Commission of any changes in its structure or operation. VAC shall also report its revenues,

using the KUSF Carrier Remittance Worksheet, and any changes in its name or corporate structure, to the KUSF Administrator for Kansas Universal Service purposes.

8. The Commission also finds and concludes that VAC's tariffs, as revised, are reasonable and should be accepted. Nothing in this certificate authorizes VAC to offer services other than those listed in its accepted tariffs.

IT IS, THEREFORE, BY THE COMMISSION ORDERED AND CERTIFIED THAT:

The application of Value-Added Communications, Inc. for a Certificate of Convenience and Authority to provide intrastate and interstate operator and interexchange telecommunications services is hereby granted pursuant to K.S.A. 66-131, as set out above. Value-Added Communications, Inc.'s tariffs are accepted as revised. Value-Added Communications, Inc. must provide service under the terms and conditions set forth in this order and under Kansas law.

Any party may file a petition for reconsideration of this order within fifteen days of the date this order is served. If service is by mail, service is complete upon mailing and three days may be added to the above time frame.

The Commission retains jurisdiction over the subject matter and the parties for the purpose of entering such further order or orders as it may deem necessary.

BY THE COMMISSION IT IS SO ORDERED AND CERTIFIED.

Wine, Chr.; Claus, Corn.; Moline, Corn.

Dated: JUL 08 1999

ORDER MAILED

JUL 09 1999

 Executive Director

Jeffrey S. Wagaman .
Executive Director

EP:bb